

New England Gas Company

December 30, 2005

Mary L. Cottrell, Secretary
Department of Telecommunications & Energy
One South Station, 2nd Floor
Boston, MA 02110

Re: Order Opening Investigation Into Standards for Arrearage Management Programs for Low-Income Customers, D.T.E. 05-86, and Compliance with Heating Energy Assistance and Tax Relief, St. 2005, c. 140

Dear Ms. Cottrell:

On December 1, 2005, the Department of Telecommunications and Energy ("Department") issued an Order Opening Investigation Into Standards for Arrearage Management Programs for Low-Income Customers, D.T.E. 05-86 ("Order"). The Order is in compliance with Section 17 of St. 2005, c. 140, An Act Relative to Heating Energy Assistance and Tax Relief (the "HEAT" Act). The Department issued the Order to initiate a generic proceeding to develop standards for arrearage management programs ("AMPs") for low-income customers of jurisdictional electric and gas distribution companies organized pursuant to G.L. c. 164. Consistent with the requirements of the HEAT Act, the Order requires each distribution company to file an AMP with the Department by December 30, 2005, that includes the following information:

- (1) a detailed plan to coordinate its AMP with low-income weatherization and fuel assistance agencies and services;
- (2) a provision permitting eligible low-income customers to establish affordable payment plans and provide credits toward a customer's accumulated arrearage when the customer complies with the terms of the program;
- (3) a provision that allows eligible low-income customers a payment plan of not less than four months, including an initial down payment of 25 percent of the balance, if utility service has not yet been terminated, with the remaining balance to be divided into equal payments. Order at 1.

Upon receipt of the various AMPs, the Department will evaluate each filing for compliance with the standards established by the HEAT Act and order modifications, if appropriate, by February 28, 2006. Id.

In addition, the Department notified each distribution company on December 12, 2005 of several of the remaining directives of the HEAT Act, including directives:

- (1) to make discount rates available to customers upon verification of their receipt of any means tested public benefit or verification of eligibility for the low-income energy assistance program ("LIHEAP"), based on a household gross income of 200 percent of the federal poverty level ("FPL"), or greater, to the extent that eligibility for LIHEAP expands; and
- (2) to submit a plan ("Information Dissemination Plan") to the Department, in compliance with § 13 of the HEAT Act, on or before January 1, 2006, that sets forth how the distribution will provide customers with information on cost-saving measures to help lower monthly utility bills, including rebates, discounts and credits.

Lastly, on November 8, 2005, in anticipation of the passage of the HEAT Act, the Department directed each electric and natural gas distribution company to file information with the Department regarding the company's existing AMP, if any, no later than December 31, 2005 (the "November Letter"). Specifically, the Department requested the following information:

- (1) a description of the company's existing AMP;
- (2) the specific eligibility criteria for each component of the AMP;
- (3) whether credits toward an arrearage are available to customers;
- (4) whether the AMP is coordinated with low-income weatherization services or community action programs;
- (5) the number of customers participating in the AMP as of November 1, 2005; and
- (6) whether the responding distribution company evaluates the effectiveness of its AMP.

Accordingly, please find enclosed information on behalf of New England Gas Company ("NEGC" or "Company") responsive to these directives from the Department. The information included herein applies to both the Company's Fall River and North Attleboro service areas.

- **NEGC's 2006 Compliance With D.T.E. 05-86**

In compliance with the terms of the HEAT Act and the Department's investigation in D.T.E. 05-86, the Company has developed a HEAT Credit Program that would be available to customers that take service from the Company through its R-4 (Low-Income Residential Heating) tariffs (M.D.T.E. Nos. 205 and 305) ("Qualified Customers"). In order to participate in the HEAT Credit Program, Qualified Customers would be required:

- (1) to have a minimum of \$300 arrears on their gas bill;
- (2) to pay 25 percent down payment on any arrearage;
- (3) to enroll in a twelve-month budget plan;
- (4) to obtain a home energy audit within 12 months of enrollment, if they have not had an energy audit at their current address within the previous 24 months;
- (5) to have not participated in the HEAT Credit Program within the previous 24 months, except that renegotiation of the payment plans will be permitted.

Qualified Customers would be identified by local community action agencies or as identified through the Department's computer match program, established pursuant to D.T.E. 01-106. Should the customer stay current with their arrangement by making twelve monthly budget payments, the Company would apply a \$150 credit to the customer's heating account.

As described below, the HEAT Act's provision increasing eligibility for discount rates to customers with household incomes at or below 200 percent of the FPL may significantly increase the percentage of the Company's customers that are eligible for the discount rate. Accordingly, the Company's ability to offer a HEAT Credit Program to all qualified customers is greatly dependant on Department approval to seek recovery of any lost revenues associated with the establishment of an AMP that includes a credit program. The Department's recent order in Discount Rates, D.T.E. 01-106-C/D.T.E. 05-55/D.T.E. 05-56 allows each distribution company's Residential Assistance Adjustment Factor ("RAAF"), on or after July 1, 2005, to recover any amount of low-income discount (whether customers are enrolled on a low-income discount rate through traditional outreach or the Department's computer match program) in excess of a baseline amount calculated consistent with the Company's Residential Assistance Adjustment Clause tariffs (M.D.T.E. No. 103). The Company anticipates including lost revenues associated with the HEAT Credit Program in its 2006 RAAF reconciliation filing, consistent with this policy.

- **NEGC Compliance with Remaining Provisions of HEAT Act**

⇒ Availability of Discount Rates to Households at 200 Percent of FPL

Currently, any household that earns at or below 175 percent of the FPL is qualified to receive the Company's discount rates. The Company understands that, pursuant to § 12 of the HEAT Act, the eligibility requirements will increase to 200 percent of the FPL, and may increase further should the income threshold for LIHEAP above 200 percent of the FPL. As a result of this increase, the Company believes that based on the 2000 US Census Bureau data, it will have 18,661 residential heating customers eligible for its low-income discount rates. If these customers are all certified as eligible, this figure represents 41.1 percent of NEG's overall residential heating customer base in its Massachusetts service areas. A breakdown of this percentage has been provided as Attachment A. The Company is very concerned about the effect that the rising cost of energy will have on its neediest customers, but at the same time is concerned about the potential problem that any burden shifting might have on all its residential customers given the disproportionately large demographic of low-income eligible customers in its Massachusetts service area.

⇒ Information Dissemination Plan

With regard to information dissemination for low-income and AMP-related information, the Company has been reaching out to customers in its Massachusetts and Rhode Island service areas since September to discuss the rise in gas commodity prices, the effect those increases will have on customers, and what customers can do to mitigate these increases. This increased effort to notify customers of the changing cost landscape is in addition to our quarterly mailings detailed below and our ongoing efforts to promote energy conservation with GasNetworks, a collaborative which has been promoting energy efficiency and the use of high efficiency natural gas technologies since 1997.

In the past year, particularly since September 2005, NEG has distributed news releases and briefed the media in regard to rising energy costs and steps available to moderate the increases faced by customers. In October, the Company aired a 60-second commercial on radio stations in Massachusetts and Rhode Island to explain the reasons for rising energy prices, to promote budget billing, and to encourage conservation. In November, the Company teamed up with NBC10, a media outlet that serves our service areas in both Massachusetts and Rhode Island, to put on a series of energy saving tips during the prime news time hours. Additionally, NEG has produced a bill insert for its customers, which was included in December bills. These inserts mirror the message conveyed in our radio spots. A copy of the insert has been attached as Attachment B. At the same time, the Company distributed employee news bulletins regarding our filings and the programs available for customers so that employees will be as up-to-date as possible when discussing options with our customers.

The Company issues to its customers, through its quarterly Connections Newsletter, information relative to low-income discount eligibility, budget billing, direct payment options, and conservation measures. Also, once a year, NEGC distributes its Special Protections mailing to all eligible and currently qualified customers so that they may review their status and renew if qualified. Copies of these materials have been provided as Attachment C.

- **NEGC Compliance With November Letter**

Pursuant to the Department's November Letter requesting information regarding the Company's current AMP, the Company provides the following information:

- I. General Description of Company's 2005 AMP¹

The Company's 2005 AMP consists of the following:

- ⇒ a low-income discount rate;
- ⇒ budget billing;
- ⇒ individual payment plans which allow for customers to pay their bill in equal monthly installments over a specific number of months by mutual agreement between the customer and NEGC;
- ⇒ information dissemination on places to turn for help and heating assistance via NEGC publications, mailings and website; and
- ⇒ direct payment services.

- II. Description of Specific Eligibility Criteria

- A. Low-Income Discount Rate

Pursuant to the Company's current R-2 and R-4 tariffs for low-income residential customers (M.D.T.E. Nos. 203, 205, 303, and 305), the Company's low-income discount rate is available to all residential customers who are found eligible upon verification of the customer's receipt of any means-tested public benefit program (including but not limited to Citizens for Citizens ("CFC") in Fall River, Self-Help in North Attleboro, Food

¹ Pursuant to notification filed with the Department on November 21, 2005, effective January 2006, NEGC will offer all its customers the ability to pay their bill by credit or debit card by telephone or by a secure Internet website established with a third party vendor. This service is purely at the customer's discretion. Customers will still be able to pay their bills by mail and or at a convenient local pay station.

Stamps, SSI and General Assistance) or verification of eligibility for LIHEAP and to customers found eligible as a result of a computer data matching program with the Massachusetts Executive Office of Health and Human Services ("EOHHS"), as described in the Department's D.T.E. 01-106 order.

B. Budget Billing Plan

Budget Billing Plan is a program offered by NEGC to any residential customer, regardless of the rate they receive. Under the budget billing program, the customer and the Company establish a monthly payment plan that spreads annual gas costs more evenly throughout the year. This plan is offered at no additional cost or interest charges to the customer, and all that is required for enrollment is the customer of record's consent to enroll.

With regard to the Department's November Letter inquiry as to the Company's compliance with 220 C.M.R. § 25.01(2), the Company's free budget billing program is offered to residential customers during any month of the year. The initial budget amount is based on the customer's average monthly bill from the previous twelve months, utilizing volume and those rates in effect at the time of the budget's establishment. If the account has been open for less than twelve months, the budget amount will be estimated.

After six months, the Budget Billing Plan is reviewed and may be adjusted to reflect the current balance (debit or credit), changes in gas costs and estimated usage for the next six-month period, based on the same six months of the prior year. Customers are notified by mail if the budget amount will be changed.

The twelfth month's bill reflects the difference between a customer's actual usage and calculated charges and their budget billing payments for the prior eleven months. This difference may be a credit or an outstanding balance. Once enrolled, the customer's account will remain on the Budget Billing Plan until they notify us that they wish to cancel this service. If the customer misses two (2) payments, then they are removed from the Budget Billing Plan.

In addition, customers can sign up for NEGC's Direct Payment Service, allowing them to have their gas bill payments deducted automatically from their checking or savings account at their financial institution of choice. As mentioned previously, starting in 2006 the Company will offer customers a similar opportunity to pay their gas bill by credit or debit card through the use of an independent third party vendor.

C. Individual Payment Plans

The Company works with customers on an individual basis to understand each customer's unique circumstances and to help those who are struggling to pay their bills and establish pay agreements that are workable and maintainable. To that end, the

Company encourages credit counseling through an independent third party, Consumer Credit Counseling (www.creditcounseling.org). While CCC is not a source for energy assistance, they can be an extremely valuable resource for people having financial difficulties and difficulties managing credit.

D. Information Dissemination

Please refer to the description of the Company's Information Dissemination Plan referenced in the previous section describing the Company's compliance with the HEAT Act.

E. Direct Payment Service

Customers can also sign up for Direct Payment Service in addition to the Budget Billing Plan. Direct Payment Service allows gas bill payments to be automatically taken out of their checking or savings accounts at their financial institution of their choice. Acceptance of this form of payment requires the customer's signature.

III. Arrearage Forgiveness

The Company's current AMP does not include a forgiveness component.

IV. AMP Coordination

The Company's current AMP is coordinated with CFC in Fall River, and Self Help in North Attleboro. Additionally, a process is in place to cross check these files with records from EOHHS to ensure that customers are placed on the discount rate and informed of the budget process. Under the proposed HEAT Credit Program, customers eligibility would continue to be established through CFC, Self Help, and the EOHHS database.

V. Number of Participating Customers as of November 1, 2005.

The number of Massachusetts customers participating in the Company's current AMP is as follows:

- A. Discount Rates: 10,124 (22.29%)
- B. Budget Billing : 1,871 (4.12%)
- C. Deferred Payment Plan: 692 (1.52%)
- D. Direct Payment: 891 (1.96%)


VI. Evaluation of AMP

While the Company does not provide a statistical analysis of the merits of each component of its AMP, NEGC does track the number of customers on the low-income

rate, budget billing, individual payment plans and direct payment components to insure that their billing history is coded correctly.

Please contact me at 401-574-2212 if you have any questions regarding this compliance filing.

Very truly yours,



Kevin F. Penders, Esq.
Manager, Regulatory Relations

enclosures

cc: Paul G. Afonso, Chairman, MADTE
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NEW ENGLAND GAS COMPANY
D.T.E. 05-86

ATTACHMENT A

Massachusetts - Natural Gas Eligible Customers by Town and Income

	Households	Utility Gas	% Utility Gas	<= 100%	101% - 125%	126% - 150%	151% - 175%	176% - 200%	Total Eligible	% Eligible
Fall River	38,775	31,423	81.1%	8,794	1,341	1,341	2,681	970	15,127	48.1%
Somerset	6,976	4,869	69.7%	627	157	171	139	290	1,384	28.4%
Swansea	5,913	3,792	64.4%	446	137	137	138	52	910	24.0%
Westport	5,381	2,802	52.0%	316	89	89	98	83	675	24.1%
North Attleboro	10,413	2,109	20.0%	170	61	66	54	118	469	22.2%
Plainville	3,010	421	14.0%	41	12	14	11	19	97	23.0%
NEG Totals	70,468	45,416	64.4%	10,395	1,797	1,817	3,121	1,531	18,661	41.1%

Data Source - 2000 US Census Data

NEW ENGLAND GAS COMPANY
D.T.E. 05-86

ATTACHMENT B

LET'S WORK TOGETHER.

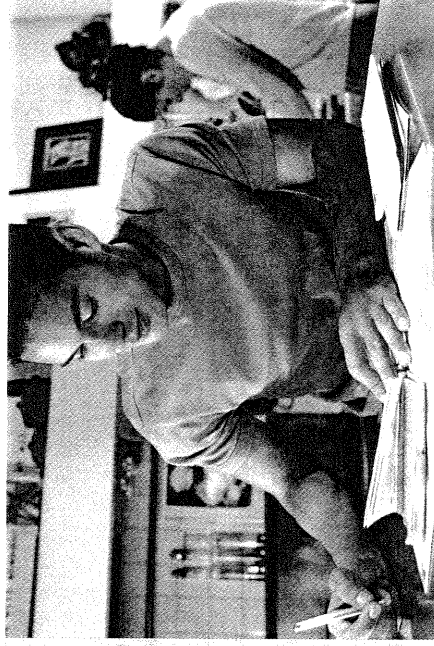
How to conserve more with a minimum of effort.

Energy conservation doesn't mean you have to sacrifice comfort. Many efficiency improvements are both simple and effective. So make sure to review the following valuable tips.

- **Turn down your thermostat.** For every 1 degree you set your thermostat back, you can save 1%-3% on your annual heating costs. You can also install an automatic setback thermostat and program it to turn the heating system up and down at preset times.
- **Maintain your heating system.** Check air filters every month during the heating season and replace when dirty. Make sure your furnace or boiler has enough air to work properly. Don't block heating outlets or return registers with furniture or other objects.
- **Check your insulation.** Insulate your attic, walls, ceilings and floors to prevent heat from escaping.
- **Let the sun help heat your home.** Open drapes or blinds during the day to capture warmth. Close them at night to keep the heat inside your home.
- **Seal air leaks.** Reducing air leaks can cut as much as 10% from your monthly energy bill. Add weather stripping to windows and doorways and replace broken panes on windows and storm doors. Remove air conditioning units or cover the inside and outside of the unit with plastic to reduce drafts.
- **Think high-E.** Choose a high-efficiency ENERGY STAR® model when shopping for a new gas furnace.

*For more information on energy saving tips visit
www.negasco.com.*

COPING WITH THE RISING COST OF ENERGY.



New England Gas Company
Safe. Reliable. Efficient. And caring.

New England Gas Company
Safe. Reliable. Efficient. And caring.

Dear Valued New England Gas Customer,

The cost of energy is rising at an alarming rate. While we can't prevent it, there are things that we can do to prepare for it. And, there are steps we can take to ease the burden.

Without question, Hurricane Katrina has wreaked havoc on the natural gas industry. So much so that the United States Department of Energy is predicting unprecedented increases in the cost of natural gas this heating season.

As you may know, consumers in Massachusetts will pay only the actual cost of the commodity. New England Gas cannot profit from purchasing gas for its customers. But that won't be enough to stem the tide of rising prices.

Conservation is something that many talk about in times of moderate energy pricing. But, in times like this, we need to do more than talk. We need to take steps that result in a true reduction in our usage – steps that can produce truly meaningful savings over the course of the heating season.

Of course, even if we conserve, there still will be costs associated with keeping your home warm. The good news is that there are a number of programs available to help you pay your heating bills.

Please take a look at the information presented in this pamphlet. It focuses on ways to conserve heat, budget your monthly payments and obtain help if you need it.

We sincerely hope that this information is helpful to all Massachusetts residents. We are extremely sensitive to the burden that the rising cost of natural gas places on everyone and will continue to do our very best to moderate that burden wherever possible.

Sincerely,



Thomas C. Robillard
President and Chief Operating Officer

Proven ways to help you deal with rising costs.

Free Budget Billing Plan. Thousands of our customers spread their natural gas bills over a 12-month period, interest free. Knowing your monthly payment in advance makes it easier to manage your household energy payments from season-to-season. For more information, contact New England Gas at 800-544-4944.

MassSAVE Program. This is New England Gas Company's in-home energy services program. Our Massachusetts customers can receive valuable information on saving energy and money. Participation in this program service could save up to 30% in home energy savings. New England Gas will even pay up to 50% of the total cost (up to \$1,500) of purchasing and installing the recommended measures to save energy. This incentive applies to homeowners, landlords and renters. Income eligible and fuel assistance customers may qualify for these incentives at no cost. For more information, call 800-632-5947 or visit www.massave.com.

Rebate Offers. New England Gas Company offers our Massachusetts customers rebates up to \$500 on high-efficiency natural gas technologies. Eligible equipment includes heating systems, water heaters, ENERGY STAR® thermostats and replacement windows. For more information, call 800-632-5947 or visit www.negasco.com.

Fuel Assistance. To see if you qualify for payment assistance and energy conservation services, please contact Citizens for Citizens, if you live in the Fall River area, at 508-679-0041, or for those living in the North Attleboro vicinity, call Self Help, Inc. at 800-225-0875.

Massachusetts Good Neighbor Energy Fund. You may qualify for up to \$275 to help pay winter heating bills. Call The Salvation Army for an application at 800-334-3047 or visit www.salvationarmy-ma.org.

Energy Bucks. A group of the state's utility companies have joined forces with the Massachusetts Community Action Program Director's Association (MASSCAP) and Low-Income Energy Affordability Network (LEAN) to promote programs that include fuel assistance, low-income energy rates and energy efficiency services to qualifying households. For more information, visit www.energybucks.com.

Additional Information. Consumers can also obtain information from the following:

- a. Massachusetts Winter Heating Helpline: (800-ENERGY-7 or www.state.ma.us/winterheating.com).
- b. National Energy Affordability and Accessibility Project: (www.ncat.org/neaap/programs/lowincome/ma-li.htm).

To begin however, it is critical for those having trouble paying their gas bills to call New England Gas to discuss their situations. Representatives will work with customers, individually and confidentially, to establish payment arrangements.

Connections

A PUBLICATION OF NEW ENGLAND GAS COMPANY

FALL 2005



IN THE COMMUNITY

Rhode Island PBS Video Streaming Project

Through a grant from New England Gas Company's Community Connections Program, Video Streaming is available to schools across Rhode Island. This subscription-based Internet service gives teachers and students direct access to more than 4,500 full-length videos and 40,000

clips of core curriculum, standards-based video programs. A simple search can locate grade- and subject-specific content in science, social studies, language arts, math and health, all available for viewing directly on a computer. Content is accessible from any Internet-enabled computer, making it easier for educators to develop lesson plans from any location. Rhode Island PBS provides demonstrations and accredited teacher training throughout the year.

Christine Lyons, Reading Specialist at North Kingstown High School, has been using Video Streaming for about a year. According to Ms. Lyons, "When the media specialist in our school gave me the initial introduction, I knew right away that this would be an important tool for our school, and for me personally. In an age where making content accessible for all kids is the order of the day, Video Streaming is an unbelievable tool!"

More than 200 schools currently use Video Streaming in their classrooms, and last spring over 17,000 video clips were incorporated into lessons. For more information, please visit the Education Services section of the Rhode Island PBS web site at www.ripbs.org/education.



PAYMENT OPTIONS

Direct Payment Service

Direct Payment Service is the most efficient and convenient way to pay your New England Gas Company bill, and it's free to New England Gas Company customers. Each month, the amount due can be automatically withdrawn from a checking or savings account at the financial institution of your choice. You will still receive a New England Gas Company bill and will have approximately 25 days to review the actual bill. Please call to request a Direct Payment Service application or visit New England Gas Company at www.negasco.com to download an enrollment form.

Rhode Island (401) 831-8800
Massachusetts (800) 544-4944

SAFETY

Carbon Monoxide: The "Silent Killer"

Carbon monoxide (CO) is called the "silent killer." Colorless, odorless and tasteless, it can invade your home without warning. As you breathe it in, the CO displaces the oxygen you need to survive. Even in small quantities it can cause headaches, nausea, dizziness, irregular breathing, sleepiness and confusion. In larger concentrations, it leads to unconsciousness and death. Here are some important things to keep in mind about carbon monoxide safety:

- Whether you heat your home with natural gas, oil, propane, coal or wood, your heating system can produce toxic CO if it is not working properly or not vented correctly.
- Signs of CO include stuffy, stale or smelly air, very high humidity or soot coming from a fireplace or heating system.
- Reduce the risk of CO poisoning by having your heating equipment "tuned up" each year, preferably before the heating season begins. *(continued on back)*

Budget Billing Plan

Budget Billing is a monthly payment plan that spreads your annual gas costs more evenly throughout the year. This free program is available to all residential customers. Please call to request a Budget Billing Plan application or visit New England Gas Company at www.negasco.com to download an enrollment form.

Rhode Island (401) 831-8800
Massachusetts (800) 544-4944

Rhode Island Termination of Utility Service Regulations

The Rhode Island Public Utilities Commission and Division of Public Utilities and Carriers regulate rules relating to the termination of residential gas service. These rules provide options for customers with an outstanding balance and for customers whose service has already been terminated. There are two sets of payment plans available to customers, based on class: "standard customer class" and "protected customer class." A "standard" customer is a customer not categorized in one of the protected classes. A "protected" customer is a residential customer about whom the utility has evidence of one or more of the following:

- Unemployed/receiving unemployment compensation;
- Elderly (all members of household must be 62 or older) or disabled (an affidavit stating one disability – verified by a physician – is required);
- Receiving assistance via LIHEAP (Low Income Home Energy Assistance Program);
- Seriously ill – illness that is life threatening or may become life threatening, or a disability – verified by a physician.

These regulations prevent gas utilities from terminating residential service during the utility termination moratorium period (November 1st through April 15th) for nonpayment of a delinquent account if the customer is a "protected class" customer (see above).

Specific steps guide the payment plan process for each customer class, as indicated on the following charts:

The terms of each step of the Standard Customer Payment Plans are as follows:

Step 1A		Step 1B	
Standard Customer Payment Plan Pre-Termination	<ul style="list-style-type: none">• No down payment required.• Must pay each month the sum of (1/12 of the estimated prospective annual utility cost) + (1/6 of the customer's unpaid balance for the first six months of the plan).• Not available to customers after termination of service.	Standard Customer Payment Plan Pre-Termination Six Month Option	<ul style="list-style-type: none">• No down payment required.• Must pay each month the sum of (1/6 of the unpaid balance plus the amount due for current usage).• Not available to customers after termination of service.
Step 2			
Standard Customer Payment Plan Pre-Termination Re-negotiation	<ul style="list-style-type: none">• No down payment required.• Must pay each month the sum of (1/12 of the estimated prospective average annual utility cost) + (1/6 of the customer's unpaid balance for the first six months of the plan).• Not available to customers after termination of service.		
Step 3			
Standard Customer Payment Plan Post-Termination	<ul style="list-style-type: none">• Initial down payment of 60% of the customer's unpaid balance required.• Must pay each month the sum of (1/12 of the estimated prospective annual utility cost) + (1/3 of the customer's unpaid balance for the first three months of the plan).		
Step 4			
Post-Termination 100% may be required	<ul style="list-style-type: none">• A customer may be required to pay up to 100% of the customer's unpaid balance to restore service.		

Low Income Home Energy Assistance Agencies

MASSACHUSETTS

Fall River
Citizens for Citizens
(508) 679-0041

North Attleboro
Self Help
(508) 226-4192

RHODE ISLAND

Blackstone Valley
Blackstone Valley Community Action
(401) 723-4520

Cranston
Comprehensive Community Action
(401) 467-7013

East Bay
East Bay Community Action
(401) 683-3322

Northeast
Tri-Town Community Action
(401) 351-2750

Providence
Providence Community Action
(401) 273-0882

Department of Elderly Affairs
(401) 462-3000

South County
South County Community Action
(401) 789-3016

West Bay
West Bay Community Action
(401) 732-4660

The terms of each step of the Protected Customer Payment Plans are as follows:

Step 1A		Step 1B		Step 1C	
Protected Customer Payment Plan Pre-termination	<ul style="list-style-type: none">No down payment required.Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance plus 1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised).Only available prior to termination of service.	Protected Customer Payment Plan Post-Termination	<ul style="list-style-type: none">Initial down payment of 25% required.Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance plus 1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised).Not available to a customer who has become disenrolled from a Step 1A Payment Plan.	Protected Customer Payment Plan Six Month Option	<p>Pre-Termination</p> <ul style="list-style-type: none">No down payment required.Must pay each month for six months the sum of (1/6 of the unpaid balance plus the amount due for current usage). <p>Post-Termination</p> <ul style="list-style-type: none">25% down payment required.Must pay each month for six months the sum of (1/6 of the unpaid balance plus the amount due for current usage).
Step 2					
Protected Customer Payment Plan Pre-termination Re-negotiation	<ul style="list-style-type: none">No down payment required.Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance) + (1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised).LIHEAP recipients may renegotiate one additional time upon receipt of a LIHEAP promissory note or at the time when the utility receives the LIHEAP grant, whichever is first. Customer must pay each month for 12 months the sum of (1/12 of the unpaid balance) + (1/12 of the prospective use after reducing the amount due by the amount of the LIHEAP grant/promise).Only available prior to termination of service.				
Step 3					
Protected Customer Payment Plan Post-termination	<ul style="list-style-type: none">Initial down payment of 25% of the customer's unpaid balance required.Must pay each month for 12 months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance).				
Step 4					
Protected Customer Payment Plan Post-termination	<ul style="list-style-type: none">Initial down payment of 35% of the customer's unpaid balance required.Must pay each month for twelve months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance).				
Step 5					
Protected Customer Payment Plan Post-termination	<ul style="list-style-type: none">Initial down payment of 50% of the customer's unpaid balance required.Must pay each month for 12 months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance).				
Reasonable Payment Plan Based on Individual Case-By-Case Analysis	<ul style="list-style-type: none">Customer and company may establish a reasonable payment plan with a negotiated down payment of at least 50%. When establishing a reasonable payment plan, the company shall consider the income schedule of the customer, if offered by the customer, the customer's payment history, the size of the unpaid balance and current bill, the amount of time and reason for the outstanding bill and whether the delinquency was caused by unforeseen circumstances.				

Massachusetts Termination of Utility Service Regulations

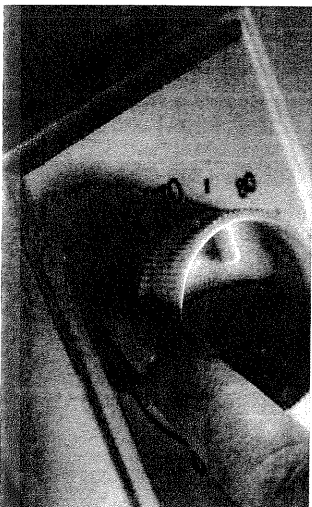
Age 65 and Older Protection

In Massachusetts, if you and everyone living in your home are 65 years old or older, you may be eligible for special protection from gas shut-offs resulting from overdue bills.

Other Protections

Your natural gas service cannot be shut off, or will be restored, if you provide certification to New England Gas Company that you are unable to pay any overdue bill because of financial hardship, and;

- Someone living in your home is seriously ill; or
- A child under 12 months old lives in your home; or
- Between November 15th and March 15th, natural gas is used as your primary heating fuel and your service was not shut off for nonpayment before November 15th.



IN THE COMMUNITY *continued*

Audubon Society of Rhode Island Urban Education Program

Through its partnership with the Audubon Society of Rhode Island (ASRI), New England Gas Company supports environmental education in the classroom for elementary school students throughout the Fall River school district. In addition to classroom instruction, students and teachers who participate in the Urban Education Program benefit from field exploration at one of Audubon's wildlife refuges or at its Environmental Education Center located in Bristol, Rhode Island. To learn more about the environment or any of Audubon's educational programs, visit their web site at www.asri.org.



Newspaper in Education Program

New England Gas Company is pleased to sponsor The Sun Chronicle's Newspaper in Education Program, enabling the Sun Chronicle and accompanying materials to be provided at no cost to classrooms in North Attleboro and Plainville, Massachusetts. The Newspaper in Education program is an important tool in teaching students math, science, reading and writing skills. For more information, visit The Sun Chronicle's web site at www.thesunchronicle.com/nie.

SAFETY

Carbon Monoxide: The "Silent Killer" *continued*

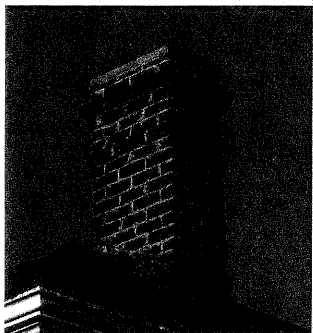
- **Chimney Safety:** A plugged or blocked chimney could cause the products of combustion to back up and filter through your home and that is very dangerous to your health. Have your chimney or vent pipes checked for blockage at the same time.
- High efficiency furnaces, water heaters and other energy-saving appliances may have exhaust vents that exit your building through an exterior wall rather than through a chimney. These vents can become blocked in the winter months by snow and ice, which can affect the safe operation of the appliance. Therefore, please ensure that all snow, ice and other obstructions are removed from your venting systems.
- Also make sure your home is adequately ventilated, particularly if you have added insulation to your home, had major renovations done or have enclosed your heating system to increase living space.
- Seek medical attention immediately if CO is detected.

Carbon Monoxide Detectors Can Save Lives

A properly installed CO detector can alert you to its presence. If the alarm sounds, **leave your home immediately**. Call the fire department from another location and ask them to check your home for the presence of CO.

Inspect Chimneys and Flues

New England Gas Company urges you to have a licensed heating contractor periodically inspect your chimneys and flue pipes for safe operation. Chimneys and flue pipes should be checked for soot, residue or any other obstructions that could disrupt the flow of escaping gases and cause improper venting of carbon monoxide (CO).



DID YOU KNOW?

It's Okay to Ask

Anyone working on behalf of New England Gas Company is required to carry an identification badge at all times. To verify an individual's status as our authorized representative, please call New England Gas Company at (401) 831-8800 for Rhode Island customers or (800) 544-4944 for Massachusetts customers.

Pay Stations

You may pay your New England Gas Company bill in person. To find a pay station that is conveniently located near you, please visit our web site at www.negasco.com. You will find an up-to-date list of pay stations under "For Your Home/Payment Options."

Need Assistance? Get the Help You Need

In Rhode Island and Massachusetts, there are a number of energy assistance sources available for customers who need help paying their energy bills. You may also qualify for "Special Protection" status. Enrollment forms are mailed to customers once a year. For more information, please call our Customer Contact Center.

CUSTOMER SERVICE

Rhode Island (401) 831-8800

Massachusetts (800) 544-4944

**Hearing &
Speech Impaired** Dial 711

Web Site www.negasco.com

HOURS

New England Gas Company's customer service telephone hours are 7:30 AM to 6:30 PM, Monday through Friday. Beginning the weekend after Labor Day through the weekend preceding the Memorial Day holiday weekend, our Customer Contact Center will also be open on Saturdays from 7:30 AM to 4:00 PM.

GAS LEAK EMERGENCY

Rhode Island (401) 272-3330

Massachusetts (800) 936-7000

New England Gas Company

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Connections

A PUBLICATION OF NEW ENGLAND GAS COMPANY

MARCH / APRIL 2005



IN THE COMMUNITY

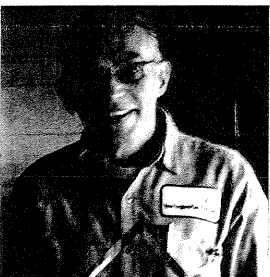
Employees Support Rhode Island Community Food Bank

Due to the promotion of a senior customer field service technician, a customer field service van (equipped with air conditioning, AM/FM radio) was in high demand. Brian Hunt, customer field service manager at New England Gas Company's Dexter Street facility, was asked how he would assign the truck. Typically, a van is assigned based on the age and status of the vehicle being replaced. However, when this van became available, Brian had an idea: with the holiday season approaching, Brian coordinated a raffle to see who would be assigned the vehicle and, in the process, raised money for a local charity.

Brian received help from Dave Andrews and Chris Pimentel, customer field service technicians, who came in early to produce the tickets in time for the start of the workday. Raffle tickets were sold for \$5 each and were made available to the customer field service technicians. However, everyone in the Customer Field Service Department at Dexter Street was invited to make a donation. Through this effort, members of the Customer Field Service Department (including technicians and supervisors) raised \$1,000 for the Rhode Island Community Food Bank.

Michael Gorman Celebrates 50 Years of Service

Mike Gorman works in the Store Room at New England Gas Company's Anawan Street facility in Fall River, Massachusetts. He ensures that Operations personnel for the Fall River and Bristol & Warren service areas have the supplies they need on a daily basis.



On January 24, 2005, Mike marked 50 years of service with the company.

Mike began his career at the former Fall River Gas Company on January 24, 1955. Prior to the joining the company, Mike served on the USS HR Dickson, a destroyer, as a Machinist's Mate from 1951-1955. After he was honorably discharged from the Navy, he visited the Veterans' Administration office, which was located across the street from the headquarters of the Fall River Gas Company. Several days after applying for a job, Mike started as a laborer in the Street Department.

About a year later, he moved to the Service Department, working as a technician. He later worked as a meter reader for 18 years, before moving to the Store Room.

On July 11 of this year, Mike will celebrate 52 years of marriage with his wife Hazel. They have 4 children, 4 grandchildren and 1 great-granddaughter. When he is not working, he enjoys doing home improvement projects, traveling and reminiscing with his shipmates at their annual reunions. He exercises each morning prior to coming to work at 6:30 AM. Although he never thought he would be at the company for 50 years, Mike has no plans on retiring any time soon.

SAFETY

Dig Safe

Planting a tree? Digging a post hole for a fence or deck? You should call (888) DIG-SAFE (344-7233) to get utility locations marked. Remember, call before you dig. It's the law!

Prior to beginning any outdoor construction or home improvement project that involves digging, excavating, trenching or grading, Remember to call Dig Safe (888) DIG-SAFE (344-7233). State law requires advance notice of at least 48 hours in Rhode Island and 72 hours in Massachusetts (excluding weekends and holidays) before you get ready to begin your outdoor project. One call to Dig Safe is all it takes to notify all member utility companies of your excavation project. In turn, these utilities respond to the work area and mark the location

of their underground facilities. Callers are given a permit number as confirmation.



Dig Safe is a free service funded entirely by member utility companies. The program is designed to promote public safety, protect vital utility

underground facilities and avoid costly damage. Calling Dig Safe before you dig into your next outdoor project isn't just smart, it's responsible, and, it's the law.

Please visit the Dig Safe web site (www.digsafe.com) to learn more or call (888) DIG-SAFE (344-7233).



Rhode Island Termination of Utility Service Regulations

The Rhode Island Public Utilities Commission and Division of Public Utilities and Carriers regulate rules relating to the termination of residential gas service. These rules provide options for customers with an outstanding balance and for customers whose service has already been terminated. There are two sets of payment plans available to customers, based on class: "standard customer class" and "protected customer class." A "standard" customer is a customer not categorized in one of the protected classes. A "protected" customer is a residential customer about whom the utility has evidence of one or more of the following:

- Unemployed/receiving unemployment compensation;
- Elderly (all members of household must be 62 or older) or disabled (an affidavit stating one disability – verified by a physician – is required);
- Receiving assistance via LIHEAP (Low Income Home Energy Assistance Program);
- Seriously ill – illness that is life threatening or may become life threatening, or a disability – verified by a physician.

These regulations prevent gas utilities from terminating residential service during the utility termination moratorium period (November 1st through April 15th) for nonpayment of a delinquent account if the customer is a "protected class" customer (see above).

Specific steps guide the payment plan process for each customer class, as indicated on the following charts:

The terms of each step of the Standard Customer Payment Plans are as follows:

Step 1A		Step 1B	
Standard Customer Payment Plan Pre-Termination	<ul style="list-style-type: none">• No down payment required.• Must pay each month the sum of (1/12 of the estimated prospective annual utility cost) + (1/6 of the customer's unpaid balance for the first six months of the plan).• Not available to customers after termination of service.	Standard Customer Payment Plan Pre-Termination Six Month Option	<ul style="list-style-type: none">• No down payment required.• Must pay each month the sum of (1/6 of the unpaid balance plus the amount due for current usage).• Not available to customers after termination of service.
Step 2			
Standard Customer Payment Plan Pre-Termination Re-negotiation	<ul style="list-style-type: none">• No down payment required.• Must pay each month the sum of (1/12 of the estimated prospective average annual utility cost) + (1/6 of the customer's unpaid balance for the first six months of the plan).• Not available to customers after termination of service.		
Step 3			
Standard Customer Payment Plan Post-Termination	<ul style="list-style-type: none">• Initial down payment of 60% of the customer's unpaid balance required.• Must pay each month the sum of (1/12 of the estimated prospective annual utility cost) + (1/3 of the customer's unpaid balance for the first three months of the plan).		
Step 4			
Post-Termination 100% may be required	<ul style="list-style-type: none">• A customer may be required to pay up to 100% of the customer's unpaid balance to restore service.		

Low Income Home Energy Assistance Agencies

MASSACHUSETTS		RHODE ISLAND	
Fall River Citizens for Citizens (508) 679-0041		Blackstone Valley Blackstone Valley Community Action (401) 725-8707	Northeast Tri-Town Community Action (401) 351-2750
		Cranston Comprehensive Community Action (401) 467-7013	South County South County Community Action (401) 789-3016
North Attleboro Self Help (508) 226-4192		East Bay East Bay Community Action (401) 683-3322	West Bay West Bay Community Action (401) 732-4660
			Department of Elderly Affairs (401) 462-3000

The terms of each step of the Protected Customer Payment Plans are as follows:

Step 1A		Step 1B		Step 1C	
Protected Customer Payment Plan Pre-termination	<ul style="list-style-type: none">No down payment required.Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance plus 1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised).Only available prior to termination of service.	Protected Customer Payment Plan Post-Termination	<ul style="list-style-type: none">Initial down payment of 25% required.Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance plus 1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised).Not available to a customer who has become disenrolled from a Step 1A Payment Plan.	Protected Customer Payment Plan Six Month Option	<p>Pre-Termination</p> <ul style="list-style-type: none">No down payment required.Must pay each month for six months the sum of (1/6 of the unpaid balance plus the amount due for current usage). <p>Post-Termination</p> <ul style="list-style-type: none">25% down payment required.Must pay each month for six months the sum of (1/6 of the unpaid balance plus the amount due for current usage).
Step 2					
Protected Customer Payment Plan Pre-termination Re-negotiation	<ul style="list-style-type: none">No down payment required.Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance) + (1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised).LIHEAP recipients may renegotiate one additional time upon receipt of a LIHEAP promissory note or at the time when the utility receives the LIHEAP grant, whichever is first. Customer must pay each month for 12 months the sum of (1/12 of the unpaid balance) + (1/12 of the prospective use after reducing the amount due by the amount of the LIHEAP grant/promise).Only available prior to termination of service.				
Step 3					
Protected Customer Payment Plan Post-termination	<ul style="list-style-type: none">Initial down payment of 25% of the customer's unpaid balance required.Must pay each month for 12 months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance).				
Step 4					
Protected Customer Payment Plan Post-termination	<ul style="list-style-type: none">Initial down payment of 35% of the customer's unpaid balance required.Must pay each month for twelve months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance).				
Step 5					
Protected Customer Payment Plan Post-termination	<ul style="list-style-type: none">Initial down payment of 50% of the customer's unpaid balance required.Must pay each month for 12 months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance).				
Reasonable Payment Plan Based on Individual Case-By-Case Analysis	<ul style="list-style-type: none">Customer and company may establish a reasonable payment plan with a negotiated down payment of at least 50%. When establishing a reasonable payment plan, the company shall consider the income schedule of the customer, if offered by the customer, the customer's payment history, the size of the unpaid balance and current bill, the amount of time and reason for the outstanding bill and whether the delinquency was caused by unforeseen circumstances.				

Massachusetts Termination of Utility Service Regulations

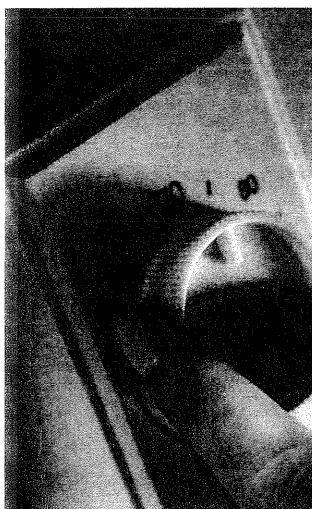
Age 65 and Older Protection

In Massachusetts, if you and everyone living in your home are 65 years old or older, you may be eligible for special protection from gas shut-offs resulting from overdue bills.

Other Protections

Your natural gas service cannot be shut off, or will be restored, if you provide certification to New England Gas Company that you are unable to pay any overdue bill because of financial hardship, and;

- Someone living in your home is seriously ill; or
- A child under 12 months old lives in your home; or
- Between November 15th and March 15th, natural gas is used as your primary heating fuel and your service was not shut off for nonpayment before November 15th.



Payment Options

Direct Payment Service

Direct Payment Service is the most efficient and convenient way to pay your New England Gas Company bill, and it's free to New England Gas Company customers. Each month your gas bill amount will be automatically taken out of your checking or savings account at the financial institution of your choice. You will still receive your New England Gas Company bill and will have approximately 25 days to review the actual bill amount.

Budget Billing Plan

Budget Billing is a monthly payment plan that spreads your annual gas costs more evenly throughout the year. This free program is available to all residential heating customers.

To request an application for either Direct Payment Service or the Budget Billing Plan, please call or e-mail Customer Service for your area.

Pay Stations – Find One Near You

Many of our customers prefer to pay their New England Gas Company bill in person. Our web site has a current listing of convenient payment stations near you. View this list at www.negasco.com/home/stations.png or call Customer Service for your area.

Need Assistance? Get The Help You Need

In Rhode Island and Massachusetts, there are resources available to customers who need help paying their energy bills.

If you or someone you know is without natural gas service, or behind on payments, call us. We work with our customers individually to establish payment plans, and can also provide customers with a list of energy assistance sources. After an acceptable customer payment is made, we will establish a payment plan and gas service can be restored.

You may also be eligible for "Special Protection" status. Eligibility enrollment forms for Rhode Island and Massachusetts residents are sent to customers once a year, but you may request one by contacting Customer Service for

your area or download the forms from our website www.negasco.com/For_Your_Home/Payment_Options.

RHODE ISLAND

Visit the Rhode Island State Energy Office web site for information about the energy assistance programs available in Rhode Island. www.riseo.state.ri.us/programs/liheap.html

Rhode Island Good Neighbor Energy Fund

Since 1986, the Rhode Island Good Neighbor Energy Fund has provided energy assistance to Rhode Islanders in temporary crisis who cannot pay their energy bills and do not qualify for federal or state funds. You can give warmth to a family in need. New England Gas Company will donate an additional dollar for every two dollars that our customers give to the Good Neighbor Energy Fund. So, "Warm Thy Neighbor" by including your tax-deductible gift in the donation envelope enclosed with your bill. Or, simply send your check payable to "Good Neighbor" to The Salvation Army at 756 Eddy Street, Providence, RI 02903, (401) 421-0956. www.rigoodneighbor.org

MASSACHUSETTS

If you are a Massachusetts resident whose household income falls within certain guidelines, you may qualify for energy assistance and conservation services.

Fall River area residents should call Citizens for Citizens at (508) 679-0041 for more information. In the North Attleboro area, contact Self Help at (508) 226-4192.

Massachusetts Good Neighbor Energy Fund

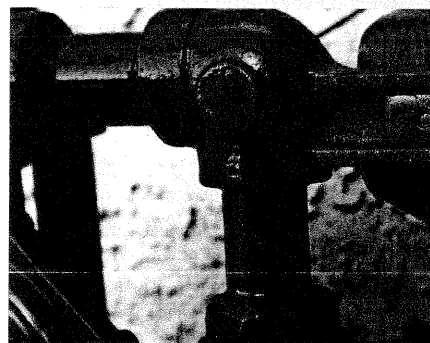
Administered by the Salvation Army, the fund helps customers pay their energy bill, especially those in financial crisis who may not qualify for other means of fuel assistance. The Massachusetts Good Neighbor Energy Fund is funded by utilities and utility customers across Massachusetts including New England Gas Company and its customers. If you would like to know how to apply for this program, or wish to donate, please call the Massachusetts Salvation Army at 1-800-334-3047.

www.magoodneighbor.org

DID YOU KNOW?

Maintaining Gas Lines

New England Gas Company is required under federal and state regulations to maintain natural gas service lines up to and including the gas meter. Beyond the meter, the maintenance of any piping is the responsibility of the customer or property owner. Sometimes, a customer's piping may be underground. If customers



do not maintain their underground gas lines, the piping may corrode and leak, causing a potential safety hazard. This gas piping should be periodically inspected for leaks, and if metal, the pipes should also be inspected for corrosion. For more information, visit our web site at www.negasco.com/Safety.

CUSTOMER SERVICE

Rhode Island	(401) 831-8800
Massachusetts	(800) 544-4944
Hearing & Speech Impaired	Dial 711
Web Site	www.negasco.com

GAS LEAK EMERGENCY

Rhode Island	(401) 272-3330
Massachusetts	(800) 936-7000

HOURS

New England Gas Company's customer service telephone hours are 7:30 AM to 6:30 PM, Monday through Friday. Beginning the weekend after Labor Day through the weekend preceding the Memorial Day holiday weekend, our Customer Contact Center will also be open on Saturdays from 7:30 AM to 4:00 PM.

New England Gas Company

Safe. Reliable. Efficient. And caring.

Connections

A PUBLICATION OF NEW ENGLAND GAS COMPANY

SUMMER 2005



Serving neighbors. Energizing neighborhoods.

IN THE COMMUNITY

Henry Lord Middle School Fall River, Massachusetts

Through its Greater Fall River Scholarship Program, New England Gas Company recognizes academic achievement and provides award recipients with financial assistance for their education beyond high school. Students are selected in eighth grade and receive their award upon high school graduation, provided that they enroll in a college or trade program. This year's recipients are Jeff Chau and Roxanne Maciel. Each will be eligible for a scholarship upon graduation from high school in 2009.



Left to right: Kevin Gendreau, Danielle Pixley and Matthew Saraiva

In 2001, while eighth grade students at Henry Lord Middle School, this year's scholarship recipients were selected based on their academic achievement and commitment to higher education. These students will now receive a scholarship to help them pursue a post-secondary education. We're proud to announce this year's recipients:

Kevin Gendreau

Kevin is the son of Raymond and Denise Gendreau and plans to attend Boston University to major in pre-medicine.

Danielle Pixley

Danielle is the daughter of Pamela and Guy Pixley and plans to attend Saint Anselm College, majoring in political science and then would like to attend law school.

Matthew Saraiva

Matthew is the son of Joaquim and Susan Saraiva and plans to attend Massachusetts College of Pharmacy and Health Sciences to major in pharmacy.

Congratulations to Kevin, Danielle and Matthew and the Durfee High School Class of 2005.

continued on back

SAFETY

Theft of Gas Puts Everyone at Risk

New England Gas Company is committed to providing natural gas to our customers in a safe and reliable manner. Stealing natural gas is a dangerous act which puts everyone at risk. Tampering with or bypassing a natural gas meter in order to obtain free natural gas is illegal and can be harmful to the perpetrator as well as to others. Theft of gas is a serious crime and New England Gas Company will make every effort to ensure that anyone caught stealing gas is prosecuted to the fullest extent under the law.

To report a possible theft of gas, you may call New England Gas Company at (401) 831-8800 in Rhode Island or (800) 544-4944 in Massachusetts. All calls will be treated with discretion. You may also notify your local police department to report a possible theft of gas.

Please Restrain Your Pet

New England Gas Company respectfully requests our customers to please restrain or relocate your pet when it is time for New England Gas Company representatives to perform any work in or near your home.

The following tips will help to provide a safe work environment for our customers and our employees:

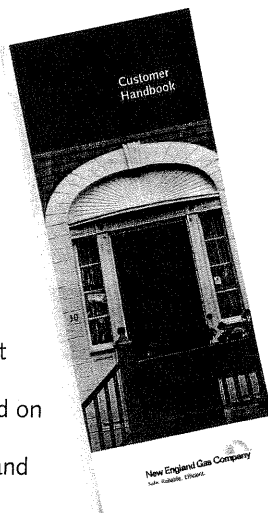
- Post a "Beware of Dog" sign in a visible location to avoid any surprises.
- Confine your pet as necessary. Please provide our employees with a sufficient area in which to safely perform our work.
- Collar your dog or pet. Even when relaxing at home, you should have the means to quickly restrain your pet in an emergency.
- Be sure all vaccinations and inoculations are up to date.
- Train your pet to obey simple commands like "sit," "stay," "no," and "come."

CUSTOMER SERVICE

New England Gas Company Customer Handbook Now Available

New England Gas Company has produced a Customer Handbook for residential customers. The Customer Handbook provides an overview of the Company and its operations.

It also contains important information about our bill, as well as helpful safety and conservation tips. The content and layout of the handbook is consistent with New England Gas Company's web site and can only be found on the Company's web site. To view or download the Customer Handbook, please go to www.negasco.com and click the Customer Handbook icon on the Home Page.



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IN THE COMMUNITY

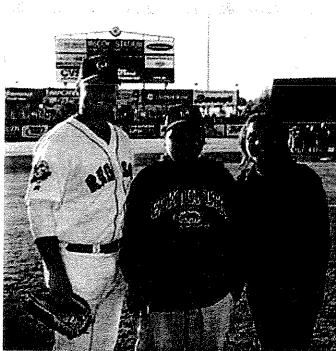
Dr. Michael H. Sullivan School Newport, Rhode Island

Sullivan School and its adjacent Family Center provide elementary and extended day opportunities for over 250 children, 80% of whom live in poverty. A recent School Accountability for Learning and Teaching (SALT) report said that the school is "worthy of the district's designation as a model school" with teachers, staff and support personnel who are "dedicated professionals who have clear and high expectations for all students."

Through its partnership with New England Gas Company, Sullivan School is able to provide additional classroom and enrichment activities for its students. Employee volunteers participate on the school improvement team, host holiday events and chaperone field trips. Employees also participate in "Celebrate Sullivan Week," an annual event that recognizes students for attendance, academic achievement and model behavior. We are pleased to announce the winners of this year's New England Gas Company Citizenship Awards: Sienna Benson, Melody MacDonald, Tiffany MacDonald and Orlando Rodriguez.

Gilbert Stuart Middle School Providence, Rhode Island

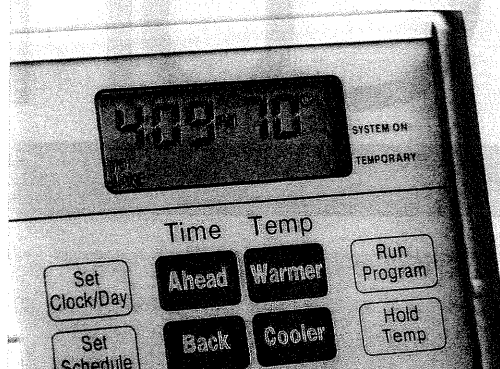
Located just blocks from one of New England Gas Company's facilities in Providence, Gilbert Stuart has been a partnership school since its earlier days as an elementary school. Employee volunteers participate in the West End Community School @ Gilbert Stuart, an afterschool program that provides enrichment activities for students, conduct a holiday giving campaign and assist at various events. New England Gas Company's partnership allows Gilbert Stuart to provide incentives to reward students who make a commitment to learning. During this academic year, 182 students made the honor roll and were invited to a PawSox outing to celebrate their achievement. Kevin Danh, who earned the highest average in his class, threw out the first pitch.



Left to right: PawSox player Jim Buckley, Kevin Danh and Nicole Mathis-Thomas, Principal of Gilbert Stuart Middle School.

DID YOU KNOW?

Time for a Heating System Check?



It may be summer, but it's a good time to think about whether your heating system is ready for cool fall weather. We recommend that you turn your thermostat to start your heating system before the cold weather hits, so if there's a problem, you can have it resolved.

CUSTOMER SERVICE

Rhode Island	(401) 831-8800
Massachusetts	(800) 544-4944
Hearing & Speech Impaired	Dial 711
Web Site	www.negasco.com

GAS LEAK EMERGENCY

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New England Gas Company

Safe. Reliable. Efficient. And caring.

Connections

A PUBLICATION OF NEW ENGLAND GAS COMPANY

JANUARY / FEBRUARY 2005



IN THE COMMUNITY

New England Gas Company Employees Support RI and MA Agencies

New England Gas Company employees created the Community Connections Fund, an employee directed charity, in 2002. The Fund is an employee managed

501(c)(3) non-profit organization designed to enable employees to make charitable contributions. Its mission is to manage employee-donated funds to aid worthwhile causes. As a result of the generous support of employees and a matching grant by the Company, the Community Connections Fund has raised more than \$50,000 to date. Every dollar collected is distributed to non-profit agencies chosen by employees.

This winter, the Fund's Board of Directors voted unanimously to support local agencies in addressing the issue of homelessness and transitional housing. The following organizations received financial support from the Community Connections Fund: Advent House, Inc., Crossroads, International Institute of Rhode Island, Rhode Island Leadership Council on the Homeless and The Salvation Army (Fall River Corps).

In addition, the Fund has donated all proceeds from its first fundraising event this fall to the Good Neighbor Energy Funds in Rhode Island and Massachusetts. Since its inception in 2002, the Fund has made contributions to more than twenty-five charities throughout Rhode Island and southeastern Massachusetts.

Budget Billing Plan

Budget Billing is a monthly payment plan that spreads annual gas costs more evenly throughout the year. This free program is available to all residential heating customers. Please call to request a Budget Billing Plan application or visit New England Gas Company at www.negasco.com to download an enrollment form.

Rhode Island (401) 831-8800 | Massachusetts (800) 544-4944

Keep these
important
phone
numbers
close by for
quick and
easy use.

New England Gas Company

Safe. Reliable. Efficient. And caring.

Customer Service

Rhode Island (401) 831-8800
Massachusetts (800) 544-4944

Gas Leak Emergency

Rhode Island (401) 272-3330
Massachusetts (800) 936-7000

www.negasco.com



Support the Rhode Island and Massachusetts Good Neighbor Energy Funds

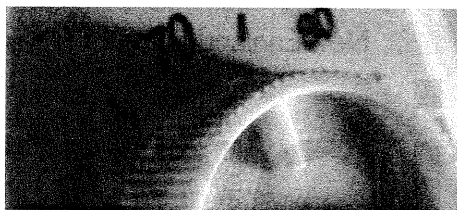
This year's fundraising campaigns for the Rhode Island and Massachusetts Good Neighbor Energy Funds have begun; and with winter well underway, the need is greater than ever. These funds help pay energy bills during a temporary financial crisis due to the loss of a job, an illness or family crisis.

Since 1986, the Rhode Island Good Neighbor Energy Fund has raised over \$5 million, and assisted over 26,250 local families; likewise, since 1985, the Massachusetts Good Neighbor Energy Fund has raised more than \$12 million and assisted over 60,000 local families.

In Rhode Island, for every two dollars donated to the Fund, New England Gas Company and other sponsoring energy companies donate one dollar. In Massachusetts, participating energy companies, including New England Gas Company, also generously support the Fund.

Donating is easy. Look for the Good Neighbor Energy Fund envelopes in your energy bills. Simply mail the envelope with your check enclosed. The Salvation Army ensures that your tax-deductible donation goes directly to a family in need. It's that simple.

On behalf of those in need, thank you for your support.



ENERGY SAVING TIPS Heating

- Weatherstrip your windows and doorways. Add door sweeps beneath doors for added insulation.
- Check your furnace filter every month during the heating season and replace when it is dirty.
- Save on your heating costs by adding insulation to your uninsulated or inadequately insulated attic.
- Repair cracks or broken seams in forced-air heating ducts.
- Set your thermostat at 68° degrees during the day and 55° degrees or lower at bedtime.
- Close your drapes or blinds at night to keep the heat inside your premises.
- During cold weather, seal all openings to cooling units (wall and window air conditioners and outside central air units) to keep the heat inside your premises.
- Don't block heating outlets or return registers with furniture or other objects.
- Choose a high-efficiency model when shopping for a new gas furnace.

SAFETY

Carbon Monoxide

Carbon Monoxide (CO) is called the "silent killer." Colorless, odorless and tasteless, it can invade your home without warning. As you breathe it in, the CO displaces the oxygen you need to survive. It quickly accumulates in your bloodstream, forming a toxic compound called carboxyhemoglobin. Even in small quantities, it can cause headaches, nausea, dizziness, irregular breathing, sleepiness and confusion. In larger concentrations, it leads to unconsciousness and death. Here are some important things to keep in mind about carbon monoxide safety:

- Whether you heat your home with natural gas, oil, propane, coal or wood, your heating system can produce toxic carbon monoxide if it is not working properly or not vented correctly.
- Signs of carbon monoxide include stuffy, stale or smelly air, very high humidity or soot coming from a fireplace or heating system.
- Reduce the risk of carbon monoxide poisoning by having your heating system tuned up regularly to make sure it is working properly. Have your chimney or vent pipes checked for blockage at the same time. Also make sure your home has enough

ventilation, particularly if you have insulated your home, have had major renovations done, or have enclosed your heating system to increase living space.

- Symptoms of carbon monoxide poisoning are often confused with flu symptoms and the number of poisoning cases often increases at the start of the flu season.
- If you suspect the presence of carbon monoxide in your home, open windows and doors and arrange an inspection of your home by a licensed heating contractor.
- Seek medical attention immediately for any carbon monoxide exposure.

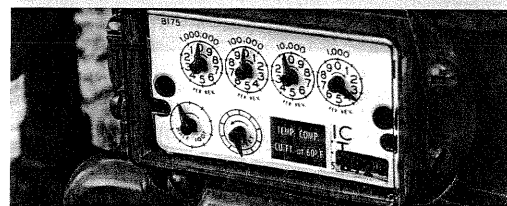
Carbon Monoxide Detectors Can Save Lives

A properly installed and maintained CO detector can alert you to the presence of carbon monoxide. If the alarm sounds, **leave immediately.** Call the fire department from another location and ask them to check your home for the presence of carbon monoxide. Carbon monoxide detectors are available at many home centers, hardware and electrical supply stores.

DID YOU KNOW?

Never Hang Anything On Gas Piping

You should never hang clothing (or anything else) from gas pipes, because the added weight of clothing (especially wet clothing being hung to air dry) can weaken or break joints or fittings.



Keep Your Meter Accessible

New England Gas Company needs to access your meter year-round. We would appreciate it if you would keep walkways, driveways and the area around your gas meter clear of snow and ice during the winter months. Please keep shrubbery near the meter well trimmed so we can access it during the milder months as well.

CUSTOMER SERVICE

Rhode Island	(401) 831-8800
Massachusetts	(800) 544-4944
Hearing & Speech Impaired	Dial 711
Web Site	www.negasco.com

GAS LEAK EMERGENCY

Rhode Island	(401) 272-3330
Massachusetts	(800) 936-7000

HOURS

New England Gas Company's customer service telephone hours are 7:30 AM to 6:30 PM, Monday through Friday. Beginning the weekend after Labor Day through the weekend preceding the Memorial Day holiday weekend, our Customer Contact Center will also be open on Saturdays from 7:30 AM to 4:00 PM.

New England Gas Company

Safe. Reliable. Efficient. And caring.

NEW ENGLAND GAS COMPANY
D.T.E. 05-86

ATTACHMENT C

Special Protections



FOR OUR MASSACHUSETTS CUSTOMERS

Aviso importante. Faça favor de traduzir imediatamente.
Avis important. Veuillez traduire immédiatement.
Aviso importante: por favor tradúzcalo inmediatamente.

Important Information and Enrollment Forms for Customers Requesting Protected Status

Age 65 and Older Protection

In Massachusetts, if you and everyone living in your home are 65 years old or older, you may be eligible for special protection from gas shut off resulting from overdue bills.

Other Protections

Your natural gas service cannot be shut off, or will be restored, if you provide certification to New England Gas Company that you are unable to pay any overdue bill because of financial hardship, and;

- Someone living in your home is seriously ill; or
- A child under 12 months old lives in your home; or
- Between November 15th and March 15th natural gas is used as your primary heating fuel and your service was not shut off for non payment before November 15th.

Annual Certification

Massachusetts customers seeking special protection must certify their status each year. Please complete and mail the appropriate form(s). *(see addresses, phone numbers and mailing instructions listed on each form)*

Third Party Notification Service

New England Gas Company offers our customers a service known as "Third Party Notification." This service allows New England Gas Company, with your permission, to notify a friend, relative or neighbor if your gas bill is overdue. This service is particularly helpful for those needing a reminder to pay their bill or who may need help managing their bills. The person you select for your "third party" is not responsible for paying your bill, only for reminding you to pay it if it becomes overdue. To enroll in this service, please complete and mail the Third Party Notification service request form. *(see addresses, phone numbers and mailing instructions listed on each form)*



Financial Hardship / Other Protections Certification Request Form

MA

Please check one:

- ☐ I am a Massachusetts resident with a financial hardship and there is a seriously ill full-time resident living at the address listed below.
- ☐ I am a Massachusetts resident with a financial hardship and there is a child under 12 months old who is a full-time resident living at the address listed below. *(please include photocopy of child's birth certificate with this form)*

If you are claiming "financial hardship" under Massachusetts General Law, Chapter 164, Section 124F, please provide the following information and return this form.

Customer Name	Phone Number	
Account Number	Social Security Number	
Address		
City	State	Zip
Number of People in Household	Total Annual Income (all sources)	

Please complete the "Doctor Certification Form" which requires your doctor to certify and/or provide a description of the handicap, medical condition, and any other information that is required including the doctor's name, address, phone number and signature. New England Gas Company reserves the right to contact your doctor to confirm this information. If you are requesting special protection due to a child under 12 months old, (see above), please include a photocopy of child's birth certificate with this form.

Please mail completed form to: New England Gas Company, Special Protections, P.O. Box 7900, Cumberland, RI 02864



Elderly (age 65 or older) Protection Certification Form

MA

Customer Name	Phone Number	Birth Date
Account Number	Social Security Number	
Address		
City	State	Zip
Names of other adult residents in this household:		
Name	Social Security Number	Birth Date
Name	Social Security Number	Birth Date
Name	Social Security Number	Birth Date

I hereby certify that my household meets the requirements for special protection and that all the information I've provided is true and accurate. I hereby certify that I am the customer of record for the account specified above, and that I, and every other resident of my household are 65 years of age or older.

Signature	Date
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Please mail completed form to: New England Gas Company, Special Protections, P.O. Box 7900, Cumberland, RI 02864



Third Party Notification Request Form

MA

Customer Name

Account Number

Phone Number

Customer Address

City

State

Zip

Party to be notified:

Name

Phone Number

Address

City

State

Zip

Signature of Customer

Date

Signature of Party to be Notified

Date

By signing above, customer and party to be notified give consent to New England Gas Company to arrange "Third Party Notification" service.

Please mail completed form to: New England Gas Company, Special Protections, P.O. Box 7900, Cumberland, RI 02864



Doctor Certification Form

MA

In order to qualify for special protected status for your illness or handicap, you are required to have your doctor certify your status by completing the form below. Mail or bring this form to your doctor. Both you and your doctor must sign this form and he or she must return it to us according to the mailing instructions on the bottom of the form.

Instructions to Doctor:

Your patient has requested special protected status (he or she has a serious illness or handicap) as a customer of New England Gas Company. After obtaining the patient's signature (see below), please complete the following information including your signature:

Nature of Illness/Handicap

Likely Duration of Illness
(specify number of months or weeks)

Is recovery dependent on use of gas? (please circle one)

Yes*

No

*If yes, please explain how:

Doctor's Name (please print)

Doctor's Signature

Date

Doctor's Address

Name and Age(s) of Child (children) under 12 Months of Age

Customer's (Patient's) Name (please print)

Customer's (Patient's) Signature

Customer's (Patient's) Address

Please mail completed form to: New England Gas Company, Special Protections, P.O. Box 7900, Cumberland, RI 02864

Special Protections



FOR OUR MASSACHUSETTS CUSTOMERS

Customer Service

It is the customer's responsibility to contact New England Gas Company to apply for any of these protections. To make a payment arrangement, or, for more information about the protections listed in this brochure, please contact us at **(800) 544-4944**.

Hearing & Speech Impaired: **Dial 711**

Gas Leak Emergency Number: **(800) 936-7000**

Web Site: **www.negasco.com**

Low Income Home Energy Assistance Agencies

Fall River

Citizens for Citizens
(508) 679-0041

North Attleboro

Self Help
(508) 226-4192

Hours

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